

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION

UNITED STATES OF AMERICA  
*ex rel* RODERICK STRONG,

Plaintiffs,

V.

WILEY COLLEGE and HAYWOOD L. STRICKLAND, RICE FINANCIAL PRODUCTS COMPANY through its subsidiary, RICE CAPITAL ACCESS PROGRAM, LLC and THE WESLEY PEACHTREE GROUP, INC.,

Defendants.

§ CIVIL ACTION NO. 2:16-CV-284-JRG

(FILED UNDER SEAL)

## JURY TRIAL DEMANDED

**THE WESLEY PEACHTREE GROUP, INC.'S ORIGINAL ANSWER TO FALSE  
CLAIMS ACT AMENDED COMPLAINT**

Defendant The Wesley Peachtree Group, Inc. (“Defendant” or “WPG”) files this Original Answer to the False Claims Act Amended Complaint (“Amended Complaint”) filed by Relator Roderick Strong (“Relator” or “Strong”), and in support thereof, respectfully shows the following:

## I. ADMISSIONS AND DENIALS<sup>1</sup>

## JURISDICTION AND VENUE

1. The allegations in Paragraph 1 are legal conclusions to which no response is required.
2. The allegations in Paragraph 2 are legal conclusions to which no response is required.

<sup>1</sup> To the extent there are any allegations against WPG in the initial paragraph of the Amended Complaint, the allegations are denied.

## **THE PARTIES**

### **A. Plaintiffs**

3. Defendant lacks sufficient knowledge to either admit or deny the allegations in paragraph 3.

4. Defendant lacks sufficient knowledge to either admit or deny the allegations in paragraph 4.

### **B. Defendants**

5. Defendant lacks sufficient knowledge to either admit or deny the allegations in paragraph 5.

6. Defendant lacks sufficient knowledge to either admit or deny the allegations in paragraph 6.

7. Defendant lacks sufficient knowledge to either admit or deny the allegations in paragraph 7.

8. Defendant admits that its principle place of business is located at 1475 Klondike Rd. SW, Suite 100, Conyers, GA 30094. Defendant further admits that it performed audit services for Wiley College starting in 2007. Defendant denies all other allegations contained in paragraph 8.

## **THE HBCU LOAN PROGRAM**

9. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 9.

10. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 10.

11. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 11.

12. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 12.

**WILEY COLLEGE APPLIES AND OBTAINS A HBCU LOAN**

13. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 13, including Subparagraphs a-f.

14. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 14.

15. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 15.

16. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 16.

17. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 17.

18. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 18.

**DEFENDANTS STRICKLAND AND WILEY COLLEGE MADE FALSE CLAIMS AND STATEMENTS TO OBTAIN LOAN APPROVAL AND THE LOAN FUNDS**

19. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 19.

20. The material allegations of in Paragraph 20, Subparagraph B are denied as to this Defendant's conduct. Defendant lacks sufficient knowledge to either admit or deny the remaining allegations in Paragraph 9, including Subparagraphs A-Q.

21. There is no paragraph 21 in the False Claims Amended Complaint, therefore no response is required.

**DEFENDANT RICE AIDED AND ABETTED DEFENDANTS' STRICKLAND AND WILEY COLLEGE IN THE SUBMITTAL OF FALSE CLAIMS TO THE GOVERNMENT**

22. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 22, including Subparagraphs A-K.

**DEFENDANT WESLEY PEACHTREE GROUP, INC. AIDED AND ABETTED DEFENDANTS STRICKLAND AND WILEY COLLEGE IN THE SUBMITTAL OF FALSE CLAIMS TO THE GOVERNMENT**

23. The material allegations of in Paragraph 23, Subparagraphs A-H are denied as to this Defendant's conduct. As to any allegations against any other Defendant, WPG lacks sufficient knowledge to either admit or deny the remaining allegations in Paragraph 23, including Subparagraphs A-H.

**DEFENDANTS STRICKLAND AND WILEY COLLEGE DISCHARGED RELATOR STRONG FOR MAKING EFFORTS TO STOP THEIR VIOLATIONS OF THE FALSE CLAIMS ACT AND TERMS OF THE HBCU LOAN**

24. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 24.

25. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 25.

**CLAIMS FOR RELIEF PURSUANT TO 31 U.S.C. §3720 ET SEQ.**

26. Defendant incorporates its responses to allegations 1 through 25.

27. Defendant denies the allegations in Paragraph 27.

28. Defendant lacks sufficient knowledge to either admit or deny the allegations in paragraph 28.

29. Defendant lacks sufficient knowledge to either admit or deny the allegations in Paragraph 29.

**NOTICE TO THE UNITED STATES**

30. To the extent a response is required, Defendant lacks sufficient knowledge to admit or deny the allegations in Paragraph 30.

**JURY DEMAND**

31. Defendant admits that Plaintiff has requested a jury trial.

**PRAYER**

Defendant denies the material allegations and that Plaintiffs are entitled to any of the requested relief set forth in the Prayer, including Subparagraphs A-E.

**II. OTHER DEFENSES**

**First Affirmative Defense**

Relator's has failed to state a claim upon which relief may be granted.

**Second Affirmative Defense**

Relator's Amended Complaint fails to plead fraudulent or false claims with sufficient particularity as required by Rule 9(b) of the Federal Rules of Civil Procedure.

**Third Affirmative Defense**

The claims asserted in the Amended Complaint are barred whole or in part by the statute of limitations.

**Fourth Affirmative Defense**

The damages sought in the Amended Complaint seek to impose penalties above and beyond actual damages and is unconstitutional because such damages or penalties violate the Fifth, Sixth, and Eight Amendments to the United States Constitution.

Fifth Affirmative Defense

**Fifth Affirmative Defense**

Relator's claims are barred whole or in part based on his failure to comply with 31 U.S.C. § 3730(b)(2).

Respectfully submitted,

THOMPSON, COE, COUSINS & IRONS, L.L.P.

By: /s/ Zandra E. Foley

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ATTORNEYS FOR DEFENDANT THE WESLEY  
PEACHTREE GROUP, INC.

**CERTIFICATE OF SERVICE**

I hereby certify that the above and foregoing document is being electronically filed with the Clerk of Court using the CM/ECF system. Counsel of record is also being served via the CM/ECF system.

/s/ Zandra E. Foley

Zandra E. Foley